(c)how long will it take for SAIL to recover?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI DILIP RAY): (a) and (b) Yes, Sir. Under the financial cum business restructuring package for SAIL, Government has, *inter-alia* approved the waiving of loans advanced to it from Steel Development Fund to a value of Rs. 5073 crore and Rs. 381 crore from the Govt. of India.

(c) SAIL has indicated that it expects the company to turn around in 2-3 years.

Return of contribution made in SDF

1937. SHRI JIBON ROY: will the Minister of STEEL be pleased to state:

(a) whether it is a fact that there was a fund called Steel Development Fund created out of cess collected from the main steel producers which has been discontinued since the reform process was undertaken;

(b) whether it is also a fact that the main producers, including SAIL, have been demanding Government to return their contribution in view of the fact that the fund has since been discontinued; and

(c) the steps taken by Government to meet the demands of the main contributors?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI DILIP RAY): (a) Yes, Sir.

(b) and (c) None of the main producers including the Steel Authority of India Ltd. (SAIL) has demanded for return of their contribution from the Steel Development Fund (SDF). However, SAIL had submitted a revival package to the Government which included, *inter-alia,* financial and business restructuring of the Company including waiver of loans to the tune of Rs. 5073 crores taken by SAIL from the SDF. The proposal for waiver of SDF loans was considered and approved by the Government on I5.2.2000.

Advertisement by Sail for Joint Venture

1938. SHRIMATI CHANDRA KALA PANDEY:
SHRI DIPANKAR MUKHERJEE:

Will the Minister of STEEL be pleased to state:

(a) whether there was an advertisement by SAIL in the newspapers asking for joint venture partnership to install a Stainless Steel melting and casting plant in Salem, Tamil Nadu, leaving aside Salem Steel Plant (SSP) from the joint venture;

(b) whether the avertisement was soon changed by another advertisement for a joint venture with private party that would include SSP also; and

(c) if so, the reasons for such a swift change in the plan?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI DBLIP RAY): (a) to (c) As advised by its financial advisors, SAIL issued an advertisement on 19.1.1999 calling for Joint Venture Partner only for setting up a Steel Melting Facility at Salem Steel Plant. Subsequently, in a review of the issue on 25.1.2000, the Financial Advisors further advised that it was desirable to issue another advertisement clearly indicating that prospective bidders may also submit their offers for participation in the plant itself rather than limiting their offers only for Steel Melting facilities,, and accordingly a corrigendum was issued.

Restoration of Power Connection to RSP

1939. SHRI VAYALAR RAVI: Will the Minister of STEEL be pleased to state:

(a) whether Government are aware that the power connection of Rourkela Steel Plant has been disconnected; and

(b) if so, what steps have been taken to restores electric connection in this factory:?

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI DJLJP RAY): (a) and (b) Yes, Sir, Power supply to Rourkela Steel Plant (RSP) was disconnected by M/s. Western Electric Supply Company of Orissa on 11.2.2000. Thereafter, RSP moved an application to the Court of Addl. Distt. Judge, Rourkela who directed that power be restored. Power was restored on 12.2.2000.

Loss incurred by Sail

1940. SHRI SHIBU SOREN: Will the Minister of STEEL be pleased to state:

(a) whether it is a fact that Steel Authority of India is incurring a daily loss of Rs. 5 crores;